

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

MELVIN H. WILSON

COMPLAINANT

VS.

SOUTH ANDERSON WATER DISTRICT

DEFENDANT

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) CASE NO. 92-029
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O R D E R

This case involves a complaint filed by Melvin Wilson ("Wilson") against South Anderson Water District ("South Anderson") pursuant to KRS 278.260.

On February 28, 1992, the Commission by Order directed the parties to request a hearing if one was desired or submit additional information for the record. Neither party chose to request a hearing or submit any additional information. Therefore, this case stands ripe for a decision.

The subject matter of this complaint concerns a \$114 charge representing the monthly minimum water bill for 12 months prior to Wilson being hooked onto the water main and also water service for a guest house. Wilson alleges in his complaint that he had to pay the monthly bill for a 12-month period in the amount of \$114 before he could hook onto the water main. South Anderson asserts that on November 17, 1986 Wilson signed a contract agreeing to purchase water from them and that customers who signed the

agreement but did not hook on were charged a minimum monthly bill. Wilson paid the \$114 bill but now requests that it be refunded.

Wilson also alleges that South Anderson is refusing to allow him to furnish water to a small guest house from the same line supplying water to his residence. Wilson claims he was told by South Anderson that he must pay for a \$400 meter hookup and run a separate line to the guest house. South Anderson further asserts that if the guest house is to be used strictly as an overflow from the Wilson residence, it could be supplied water service from the same meter.

Wilson avers that he should not be required to have a separate meter for his guest house. Wilson requests that he be allowed to furnish water to his guest house from the line supplying water to his residence.

The initial issue to address is water service to the guest house. The Rules and Regulations of South Anderson state that a customer cannot supply more than one residence from one meter. Assuming the guest house is to be used by Wilson strictly as an overflow from the residence, the guest house can be supplied water service from the residence and only one meter is necessary. If the guest house is not to be strictly utilized for an overflow of guests from the residence and is used for another purpose (i.e., rental, full-time residential), then Wilson would be required to pay for a separate meter hook-up and a separate line to the guest house. Wilson avers that the guest house is not permanently occupied nor has it ever been; and that it is vacant most of the

time. Therefore, the Commission finds it is reasonable to supply service to the guest house from the residence with no additional meter necessary.

The second issue raised by the Complainant concerns the monthly minimum bill charged to Wilson by South Anderson for a period of 12 months before he hooked on to the water main. South Anderson justifies the charge by relying on the application for water service which Wilson signed. The application South Anderson cites does not explicitly require an applicant to pay the monthly minimum bill prior to service being provided. South Anderson's application for water service states "[t]he Applicant agrees to pay for water service at the monthly minimum" (emphasis added) The application is silent as to when the obligation to pay begins. Additionally, this agreement does not imply that an applicant is required to pay a monthly minimum bill solely for the availability of such water service. Further, such service is not available until such time as the utility sets a meter on the customer's property.

Based upon the foregoing, the Commission finds that under the circumstances of this case, it was unreasonable for South Anderson to charge for having service available to Wilson's property, although that service was not being utilized.

IT IS THEREFORE ORDERED that:

1. South Anderson shall permit Wilson to furnish water to the guest house from the same line presently supplying water to

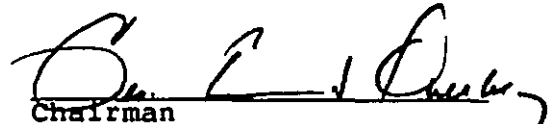
his residence. South Anderson shall not require a separate meter or line for the said guest house.

2. Within 30 days of the date of this Order, South Anderson shall refund or credit the \$114 minimum bill charge paid by Wilson for the 12-month period during which water service was available but prior to Wilson's hooking onto the water main.

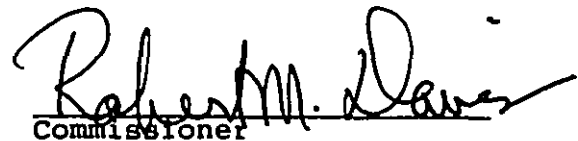
3. South Anderson shall file with the Commission evidence of the refund or credit within 30 days of the date of this Order.

Done at Frankfort, Kentucky, this 22nd day of April, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director